

South Coast Air Quality Management District

Statement of Basis

Title V Permit (Issued for Public Notice 8/29/08) (Revised for final permit 2/13/09)

Facility Name:	Paramount Petroleum Corporation
Facility ID:	800183
SIC Code:	2911
Facility Address:	14700 Downey Avenue Paramount, CA 90723
Application Number:	339643
Application Submittal Date:	3/23/98
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1. Introduction and Scope of Permit

Title V is a national operating permit program for air pollution sources. Facilities subject to Title V must obtain a Title V permit and comply with specific Title V procedures to modify the permit. This permit replaces the facility's other existing permits. Title V does not necessarily include any new requirements for reducing emissions. It does, however, include new permitting, noticing, recordkeeping, and reporting requirements.

The South Coast Air Quality Management District (AQMD) implements Title V through Regulation XXX – Title V Permits, adopted by the AQMD Governing Board in order to comply with EPA's requirement that local air permitting authorities develop a Title V program. Regulation XXX was developed with the participation of the public and affected facilities through a series of public workshops, working group meetings, public hearings and other meetings. AQMD also has published a draft of the Technical Guidance Document for Title V (March 2005, Version 4.0) available on the AQMD website at <http://www.aqmd.gov/titlev/TGD.html>.

The Title V major source threshold for a particular pollutant depends on the attainment status of the pollutant in the South Coast Air Basin. The Basin is in attainment with National Ambient Air Quality Standards (NAAQS) for NO₂, SO₂, CO, and lead. The status for CO was redesignated from nonattainment to attainment in June 2007 (72 FR 26718). The status for PM-2.5 and PM-10 is currently nonattainment and serious nonattainment, respectively. The status for ozone is currently extreme nonattainment.

The AQMD proposes to issue an initial Title V permit for the refinery operations of Paramount Petroleum Corp., which are located at 14700-08 Downey Avenue, Paramount, CA 90723. The refinery is owned by Alon USA Energy Inc. (Alon). It is subject to Title V requirements because the company's operations at this location as an aggregate are a major source of pollution as defined in Title V and the facility is subject to certain NSPS (New Source Performance Standards).

2. Facility Description

The Paramount Refinery produces a variety of products including gasoline, jet fuel, diesel fuel, asphalt, petroleum gases, and sulfur from crude oil. Currently, the refinery has a capacity to process approximately 54,000 barrels of crude oil per day. Most of the crude oil is received at the refinery via underground pipeline. The refinery utilizes several processes to separate petroleum components in crude oil and to convert heavy components into lighter hydrocarbon compounds. These hydrocarbon compounds are used as blending components for gasoline, diesel, and other products. Some of the intermediate products (naphtha and treated/untreated gas oil) are sent to third party refineries via pipeline for further refining.

Operations at the refinery include the following major processes:

Crude and Vacuum Distillation Units

The Refinery has two crude units, each consisting of atmospheric and vacuum distillation columns. The distillation process separates the crude oil into narrow-boiling fractions. These fractions - naphtha (gasoline range), straight-run kerosene (jet range), straight-run diesel (diesel range), gas oil, and residuum - can sometimes be blended into finished products, but most often require further refining.

Naphtha Splitter and Light Naphtha Stabilizer

The Naphtha Splitter concentrates naturally occurring benzene in the light naphtha into a heavy naphtha feed to the Reformer. Light hydrocarbon compounds such as ethane, propane, and butane are removed by distillation in the Light Naphtha Stabilizer. The light hydrocarbons are then treated to remove sulfur compounds before being used as fuel in some of the process heaters.

Reformer

The Catalytic Reforming Unit (CRU) utilizes a light cracking process to convert heavy naphtha fractions to products of higher octane value. Hydrogen is a byproduct of this process.

Benzene Saturation Unit

The Benzene Saturation Unit processes the high-octane product from the Reformer (reformate) to convert all of the manufactured benzene and most of the naturally occurring benzene into cyclohexane.

Isomerization Unit

The isomerization unit converts straight-chain hydrocarbon molecules into branched-chain hydrocarbons with higher octane rating. Catalytic reforming effectively improves the octane rating of heavy gasoline components but it does so by increasing the aromatic content of the fuel. To meet CARB specifications for the aromatic content of gasoline, isomerization is utilized to produce isomate, which is a gasoline blending stock that is extremely low in aromatics including benzene.

Hydrotreating

Petroleum products are catalytically stabilized and impurities such as sulfur, nitrogen, and oxygen are removed from products or feedstocks by reacting them with hydrogen. This refinery contains three hydrodesulfurization (HDS) units for the treatment of Naptha (No. 1 HDS), Kerosene (No. 5 HDS), and Gas Oil (No. 3 HDS).

Amine Fuel Gas Treating Unit and Sulfur Recovery Unit (SRU):

Sulfur compounds in the crude oil fractions are removed at the HDS units in the form of hydrogen sulfide (H_2S) gas. H_2S rich streams for the HDS units are treated in amine contactor columns to remove the H_2S . The “rich” amine solution from these columns is regenerated to liberate the H_2S . The H_2S stream is fed to the SRU where it is converted to molten elemental sulfur.

Asphalt Processing Equipment

The refinery produces a full line of asphalt products for the construction industry. The various asphalt products are utilized primarily in the production of roofing products and paved roadways. Asphalt processing facilities at the plant include an asphalt blowing plant with four air blowing stills, an asphalt emulsion plant, and a polymer modified asphalt plant.

In addition to the above major processes, the facility operates numerous combustion units such as heaters and boilers that are utilized in many of the above processes, incinerators, stationary internal combustion engines, a refinery flare, and wastewater treatment systems. Onsite loading/unloading racks, fixed roof storage tanks, internal floating roof storage tanks, external floating roof storage tanks, and pressurized storage tanks are used in the transport and storage of the asphalt, gasoil, fuel oil, kerosene, diesel fuel, gasoline, naphtha, LPG and sulfur. Intermediate and finished products can also be transported to third party customers via underground pipeline.

3. Construction and Permitting History

The refinery has been in constant operation since the 1930's. Numerous permits to construct and permits to operate have been issued to the refinery since the formation of the Los Angeles County Air Pollution Control District in 1947. Over the past 10 years, the refinery has completed numerous projects, including the Co-generation project in 2002 and the CARB Clean

Fuel project in 2005. The current permit to operate and/or permit to construct for each permit unit located at the refinery is contained in the Title V permit.

4. Regulatory Applicability Determinations

Applicable legal requirements with which this refinery must comply have been identified in the Title V permit (for example, Sections D, E, and H of the proposed Title V permit). Device level condition H23.x denote applicability of federal regulations and source specific AQMD Rules to permitted equipment. Applicability determinations (i.e., determinations made by the District with respect to what legal requirements apply to a specific piece of equipment, process, or operation) for this facility have been completed. Federal NSPS requirements of 40 CFR Part 60 apply to certain units at the facility and the permit terms and conditions may be found in Sections D and H of the Title V permit. NESHAP requirements of 40 CFR Part 63 apply to certain units at the facility and the permit terms and conditions may be found in Sections D, H, and J of the Title V permit. Determinations of federal regulations that do not apply can be found in this section of the Statement of Basis.

This section contains a discussion of complex regulatory applicability determinations. This section also summarizes the NSPS and NESHAP applicability determinations for permitted equipment at this facility.

Federal Regulations

Standards of Performance for New Stationary Sources (NSPS) (40 CFR 60)

With the exception of certain specific equipment as further explained in Tables 4.1 to 4.3 below, the refinery is generally subject to the following NSPSs:

- 40 CFR 60 Subpart Db – Standards of Performance for Industrial-Commercial-Institutional Steam Generating Units;
- 40 CFR 60 Subpart J – Standards of Performance for Petroleum Refineries;
- 40 CFR 60 Subpart K – Standards of Performance for Storage Vessels for Petroleum Liquids for Which Construction, Reconstruction, or Modification Commenced After June 11, 1973 and Prior to May 19, 1978;
- 40 CFR 60 Subpart Ka – Standards of Performance for Storage Vessels for Petroleum Liquids for Which Construction, Reconstruction, or Modification Commenced After May 18, 1978 and Prior to July 23, 1984;
- 40 CFR 60 Subpart Kb – Standards of Performance for Volatile Organic Storage Vessels (Including Petroleum Liquids Storage Vessels) for Which Construction, Reconstruction, or Modification Commenced July 23, 1984;
- 40 CFR 60 Subpart UU – Standards of Performance for Asphalt Processing and Asphalt Roofing Manufacture;
- 40 CFR 60 Subpart XX – Standards of Performance for Bulk Gasoline Terminals;
- 40 CFR 60 Subpart GGG – Standards of Performance for Equipment Leaks of VOC in Petroleum Refineries;

- 40 CFR 60 Subpart GGGa – Standards of Performance for Equipment Leaks of VOC in Petroleum Refineries for which Construction, Reconstruction, or Modification Commenced After November 7, 2006; and
- 40 CFR 60 Subpart QQQ – Standards of Performance for VOC Emissions from Petroleum Refinery Wastewater Systems.

The above regulations specify standards for applicable equipment within the refinery based on construction date or subsequent modifications that resulted in an emission increase as defined by 40 CFR 60.14(a) or reconstruction with a capital cost of the new components exceeding 50 percent of the fixed capital cost that would be required to construct a comparable entirely new facility as defined in 40 CFR 60.15(a) and (b). The applicability of the above rules is based on information contained in the permit application files or through refinery responses to information requests.

All of the equipment in the Title V Permit has been reviewed to determine whether they are subject to any of the NSPSs. Tables 4.1 to 4.3 below contain tabulated summaries of selected negative determinations regarding NSPS applicability.

Table 4.1 Combustion Sources and Process Units Not Subject to NSPS Requirements

Device ID	Equipment	Regulation	Summary of Non-Applicability Determination
D373, D374, D375, D376	Boilers	40 CFR 60, Subparts Db/Dc ¹	Capacity less than the 100 MMBtu/hr applicability threshold of NSPS Subpart Db and was constructed prior to the June 9, 1989 applicability date of NSPS Subpart Dc with no subsequent modification or reconstruction.
D125, D530, D569	Process Heaters	40 CFR 60, Subpart J	Permitted to combust only commercial natural gas.
D677	Gas Turbine		
D373, D374, D375, D376	Boilers	40 CFR 60, Subpart J	Combustion devices were constructed prior to June 11, 1973, and have not been modified or reconstructed since then.
C396	Flare		
D48, D123, D124, D126, D127, D128, D129	Process Heaters		
D691, D692, D693, D776	SRP furnace and heaters	40 CFR 60, Subpart J	Devices in which gases are combusted to produce sulfur are not categorized as combustion devices pursuant to §60.101(g).
D170, D171, D172, D645, D646, D647,	Sulfur Recovery Unit (SRU)	40 CFR 60, Subpart J or Ja	SRU was constructed prior to October 4, 1976 and have not been modified or reconstructed since then. The rerouting

Device ID	Equipment	Regulation	Summary of Non-Applicability Determination
D689, D690, D691, D692, D693			of certain miscellaneous gas streams to the front of the SRU, pursuant to District Hearing Board Case no. 2914-90, is currently in the permitting process.

¹ 40 CFR 60 Subpart Dc - Standards of Performance for Small Industrial-Commercial-Institutional Steam Generating Units.

Table 4.2 Storage Tanks, Loading Racks and Wastewater Systems Not Subject to NSPS Requirements

Device ID	Equipment	Regulation	Summary of Non-Applicability Determination
D79 , D130, D147, D267, D329, D330, D331, D332, D378, D527, D528, D568, D685, D738, D759, D777, D778, D779, D780, D781, D782, D783	Storage Tank	40 CFR 60, Subpart K/Ka/Kb	Storage capacity below threshold for the subject NSPSs.
D150, D168, D169	Storage Tank	40 CFR 60, Subpart K/Ka/Kb	Tanks are permitted to store inorganic liquids only.
D268, D269, D271, D272, D275, D276, D278, D279, D280, D281, D282, D283, D284, D285, D286, D292, D294, D295, D296, D297, D298, D299, D300, D301, D302, D304, D305, D306, D307, D309, D311, D312, D315, D316, D318, D309, D320, D321,	Storage Tank	40 CFR 60, Subpart K/Ka/Kb	Vapor pressure of permitted commodities is below the vapor pressure threshold of the subject NSPSs.

Device ID	Equipment	Regulation	Summary of Non-Applicability Determination
D322, D323, D324, D325, D326, D328, D334, D524, D579, D602			
D358, D359, D360, D361, D362	Storage Tank	40 CFR 60, Subpart K/Ka/Kb	These tanks are pressure vessels designed to operate in excess of 30 psig without emissions to the atm. except under emergency conditions.
D263, D264, D270, D273, D274, D277, D287, D288, D289, D290, D291, D293, D299, D303, D327, D336, D338, D339, D340, D341, D343, D344, D345, D346, D347, D348, D351, D353, D354, D355, D356, D357	Storage Tank	40 CFR 60, Subpart K/Ka/Kb	Tanks were constructed prior to June 11, 1973, and have not been modified or reconstructed since then.
D272, D273, D274, D275, D276, D277, D279, D281, D282, D283, D284, D285, D287, D288, D289, D290, D291, D292, D293, D294, D295, D296, D297, D298, D300, D301, D302, D303, D304, D305, D306, D307, D309, D311, D312, D323,	Storage Tank	40 CFR 60, Subpart UU	Tanks were constructed prior to November 18, 1980 and have not been modified or reconstructed since then.

Device ID	Equipment	Regulation	Summary of Non-Applicability Determination
D527, D528			
D231, D233	Gasoline Loading Racks	40 CFR 60, Subpart XX	Gasoline loading racks were constructed prior to Dec 17, 1980, and have not been modified or reconstructed since then.
D254, D255, D256, D257, D258, D261, D262, D263, D264, D266	Wastewater Treatment System	40 CFR 60, Subpart QQQ	Wastewater treatment systems were constructed prior to May 4, 1987, and have not been modified or reconstructed since then.

Table 4.3 Compressors and Fugitive Components Not Subject to NSPS Requirements

Device ID	Equipment	Regulation	Summary of Non-Applicability Determination
D14	Compressor	40 CFR 60, Subpart GGG	Compressors were constructed prior to January 4, 1983 and have not been modified or reconstructed since then.
D15	Compressor		
D41	Compressor	40 CFR 60, Subpart GGG	Compressors in Hydrogen service as defined in §60.593.
D42	Compressor		
D54	Compressor		
D64	Compressor		
D65	Compressor		
D694	Fug. Comp. (P8S18)	40 CFR 60, Subpart GGG	Components associated with material loading, unloading, and/or transportation. Not part of a process unit.
D695	Fug. Comp. (P8S27)		
D701	Fug. Comp. (P5S1)		
D702	Fug. Comp. (P8S1)		
D703	Fug. Comp. (P8S2)		
D704	Fug. Comp. (P8S20)		
D705	Fug. Comp. (P8S21)		
D706	Fug. Comp. (P8S25)		
D712	Fug. Comp. (P13S1)		
D821	Fug. Comp. (P8S3)		
D822	Fug. Comp. (P8S4)		
D823	Fug. Comp. (P8S5)		
D824	Fug. Comp. (P8S6)		
D825	Fug. Comp. (P8S7)		

Device ID	Equipment	Regulation	Summary of Non-Applicability Determination
D826	Fug. Comp. (P8S8)		
D827	Fug. Comp. (P8S9)		
D828	Fug. Comp. (P8S11)		
D829	Fug. Comp. (P8S13)		
D831	Fug. Comp. (P8S23)		
D707	Fug. Comp. (P9S1)	40 CFR 60, Subpart GGG	Components associated with wastewater treatment systems. Not part of a process unit.
D708	Fug. Comp. (P9S2)		
D709	Fug. Comp. (P10S2)	40 CFR 60, Subpart GGG	Components associated with storage tanks. Not part of a process unit.
D710	Fug. Comp. (P10S3)		
D711	Fug. Comp. (P10S4)		
D803	Fug. Comp. (P10S2)		
D649	Fug. Comp. (P7S2)	40 CFR 60, Subpart GGG	Process unit does not contain any equipment that is in VOC service.
D657	Fug. Comp. (P6S7)		
D816	Fug. Comp. (P4S1)		
D817	Fug. Comp. (P4S2)		
D818	Fug. Comp. (P4/S3)		
D819	Fug. Comp. (P4/S4)		
D820	Fug. Comp. (P6/S3)	40 CFR 60, Subpart GGG	Process unit does not contain any equipment that is in light liquid service.
D607	Fug. Comp. (P1S1)	40 CFR 60, Subpart GGG	Process unit was constructed prior to January 4, 1983, and has not been modified or reconstructed since then.
D608	Fug. Comp. (P1S2)		
D609	Fug. Comp. (P1S4)		
D616	Fug. Comp. (P2S4)		
D617	Fug. Comp. (P3S1)		
D618	Fug. Comp. (P6S1)		
D619	Fug. Comp. (P6S4)		
D620	Fug. Comp. (P6S5)		
D621	Fug. Comp. (P13S6)		
D650	Fug. Comp. (P15S2)		
D655	Fug. Comp. (P1S5)		
D656	Fug. Comp. (P1S6)		
D700	Fug. Comp. (P2S3)		
D718	Fug. Comp. (P7S3)		
D812	Fug. Comp. (P15S1)	40 CFR 60, Subpart GGGa	Components associated with flare vapor recovery system. Not part of a process unit.

This refinery is not subject to the NSPSs listed below:

- 40 CFR 60 Subpart D - Standards of Performance for Fossil-Fuel-Fired Steam Generators for Which Construction is Commenced after August 17, 1971.
This refinery does not operate any steam generators that have a permitted heat capacity greater than 250 MMBtu/hr.
- 40 CFR 60 Subpart Da - Standards of Performance for Electric Utility Steam Generating Units for Which Construction is Commenced After September 18, 1978. This refinery does not meet the definition of an electric utility.
- 40 CFR 60 Subpart III- Standards of Performance for Volatile Organic Compound (VOC) Emissions from the Synthetic Organic Chemical Manufacturing Industry (SOCMI) Air Oxidation Unit Processes. This refinery does not conduct any SOCMI operations.
- 40 CFR 60 Subpart NNN - Standards of Performance for Volatile Organic Compound (VOC) Emissions from the Synthetic Organic Chemical Manufacturing Industry (SOCMI) Distillation Operations. The refinery does not conduct any SOCMI operations.
- 40 CFR 60 Subpart RRR - Standards of Performance for Volatile Organic Compound Emissions from Synthetic Organic Chemical. This refinery does not conduct any SOCMI operations.

National Emission Standard for Hazardous Air Pollutants (NESHAP)

As shown in Section 8 of this SOB, the HAP emissions from this facility are well below the NESHAP applicability thresholds of less than 25 TPY for total HAPs and 10 TPY for individual HAP. Thus, this refinery is not subject to any NESHAP requirements except for reporting and recordkeeping requirements of 40 CFR 61 Subpart FF - National Emission Standard for Benzene Waste Operation. These standards have been incorporated into the Title V permit.

40 CFR 61 Subpart FF

40 CFR 61 Subpart FF-National Emission Standard for Benzene Waste Operations (Benzene Waste NESHAP) defines a major source as any chemical manufacturing plant, coke by-product recovery plant, or petroleum refinery with 10 megagram per year (Mg/yr) (11 tons/yr) or more of benzene in the waste streams. The Paramount refinery is not a major source under this regulation since their reported total annual benzene (TAB) quantity is less than 10 Mg/yr.

While the refinery is not subject to the control standards of the subpart per se, it is nonetheless subject to certain recordkeeping and reporting requirements. Facility Condition F52.2 has been tagged to the facility to indicate that the refinery is subject to the recordkeeping and reporting requirements of 40 CFR Sections 61.356 and 61.357, respectively.

40 CFR Part 63 - NESHAPs for Source Categories

A "major" source is defined as a stationary source that emits or has the potential to emit (PTE) 10 tons per year of any of the 188 listed hazardous air pollutants (HAPs) or 25 tons per year of a

combination of these HAPs. Area sources are defined as those sources that emit less than 10 tons annually of a single HAP or less than 25 tons or more annually of a combination of HAPs. Paramount has determined that this facility is not a major source of HAPs and has provided an inventory of HAP emissions, including HAP PTE, to support this determination. This emissions inventory is summarized in Table 8.2 of Section 8 in the Statement of Basis.

As an area source, the refinery is not subject to any of the major source Maximum Achievable Control Technology (MACT) Standards, including the following:

- 40 CFR 63 Subpart CC - National Emission Standards for Hazardous Air Pollutants from Petroleum Refineries.
- 40 CFR 63 Subpart EEE - National Emission Standards for Hazardous Air Pollutants for Hazardous Waste Incinerators.
- 40 CFR 63 Subpart EEEE - National Emission Standards for Hazardous Air Pollutants: Organic Liquids Distribution (Non-Gasoline).
- 40 CFR 63 Subpart F - National Emission Standards for Hazardous Air Pollutants from the Synthetic Organic Chemical Manufacturing Industry. The refinery does not operate any SOCM operations.
- 40 CFR 63 Subpart G - National Emission Standards for Organic Hazardous Air Pollutants from the Synthetic Organic Chemical Manufacturing Industry for Process Vents, Storage Vessels, Transfer Operations, and Wastewater.
- 40 CFR 63 Subpart GGGG – National Emission Standards for Hazardous Air Pollutants for Site Remediation.
- 40 CFR 63 Subpart H - National Emission Standards for Organic Hazardous Air Pollutants for Equipment Leaks.
- 40 CFR 63 Subpart LLLLL – National Emission Standards for Hazardous Air Pollutants for Asphalt Processing and Asphalt Roofing Manufacturing.
- 40 CFR 63 Subpart Q - National Emission Standards for Hazardous Air Pollutants for Industrial Process Cooling Towers.
- 40 CFR 63 Subpart R - National Emission Standards for Hazardous Air Pollutants for Gasoline Distribution Facilities.
- 40 CFR 63 Subpart UUU - National Emission Standards for Hazardous Air Pollutants for Petroleum Refineries: Catalytic Cracking Units, Catalytic Reforming Units, and Sulfur Recovery Units.
- 40 CFR 63 Subpart VV - National Emission Standards for Oil-Water Separators and Organic-Water Separators.

Some NESHAPs for source categories have been developed for area sources. The following is a discussion of the applicability of area source NESHAPs.

40 CFR 63 Subpart ZZZZ - National Emissions Standards for Hazardous Air Pollutants for Stationary Reciprocating Internal Combustion Engine - For area sources, this subpart contains requirements for new or reconstructed stationary reciprocating internal combustion engines at area sources. None of the internal combustion engines at the Paramount Refinery are subject to this regulation since none of them have been constructed or reconstructed since June 12, 2006.

40 CFR 63 Subpart BBBBBB - Emissions Standards for Hazardous Air Pollutants for Source Category: Gasoline Distribution Bulk Terminals, Bulk Plants, and Pipeline Facilities - The refinery includes two gasoline loading racks, which have a maximum permitted throughput of 13,000 barrels per day. These loading racks along with associated storage tanks are subject to this regulation as a “bulk gasoline terminal” since they receive gasoline from a refinery via pipeline. The compliance date for existing sources is January 10, 2011.

For equipment that is subject to Subpart BBBBBB, the regulated pollutant is listed in the “Emissions and Requirements” column of sections D and H of the Title V permit. This listing references Section J of the permit, which contains the emission limits and requirements of Subpart BBBBBB. The following equipment have been identified in the permit as subject to the requirements of this rule based on engineering knowledge of the process, permit, and the rule:

Table 4.4 Equipment Subject to 40 CFR 60 Subpart BBBBBB

Process No.	System No.	Equipment
8 (Loading/Unloading Facilities)	18 (Gasoline TT Loading Rack No. 20)	Gasoline Loading Rack
8 (Loading/Unloading Facilities)	27 (Gasoline TT Loading Rack No. 21)	Gasoline Loading Rack
10 (Storage Tanks)	2 (Internal Floating Roof Storage Tanks)	Gasoline Storage Tank

Compliance Assurance Monitoring (CAM) (40 CFR 64)

This regulation requires facilities of major sources to submit CAM plans to accompany the application for renewal of their respective Title V permits or for initial Title V applications submitted after April 20, 1998. Since this initial Title V application was deemed complete on March 24, 1998 by the AQMD, no CAM plans are required at this time.

5. Periodic Monitoring Requirements

Applicable monitoring and operational requirements for which the facility is required to comply are identified in the Title V permit (for example, Section D, F, and J and Appendix B of the proposed Title V permit).

This refinery is subject to RECLAIM monitoring, source test requirements, and other monitoring provisions that are required by federal, state or AQMD laws and regulations. Section F of the permit contains the monitoring and source test permit conditions imposed by Regulation XX. More specifically, it summarizes the monitoring and testing requirements for Major, Large and Process units at NO_x and SO_x RECLAIM facilities. Finally, Compliance Assurance Monitoring (CAM) requirements of 40 CFR Part 64 do not currently apply to any of the permitted emission sources at this facility.

As specified in AQMD Rule 3004(a)(4), the proposed permit includes periodic monitoring conditions for equipment that is subject to SIP-approved, federally enforceable rules, which do not require sufficient monitoring to assure compliance with emission limitations or other requirement of the rule. Permit conditions in Section D and H of the permit that fulfill Title V

periodic monitoring requirements are tagged with the following: *Rule 3004(a)(4)-Periodic Monitoring, 12-12-1997*. These periodic monitoring conditions are also tagged with the underlying rule(s) for which the condition is fulfilling the monitoring requirement. In some cases, existing monitoring conditions that were installed under NSR fulfill the periodic monitoring requirements for other rules or regulations. For these cases, the monitoring condition was tagged with Rule 3004(a)(4) and the underlying rule(s) for which the condition is fulfilling the monitoring requirement.

A draft Periodic Monitoring Guidance document was published by the AQMD in August 1997. A public consultation was held to solicit public input. The final Periodic Monitoring Guideline Document was published by the AQMD in November 1997. This guideline was used to establish the periodic monitoring requirements in the Title V permit. In addition, the AQMD used the CAPCOA/CARB/EPA Region IX Recommended Periodic Monitoring for Generally Applicable Requirements in SIP (June 24, 1999) for applicable opacity limits, grain loading limits for material handling equipment, and for sulfur content of fuels. Furthermore, the AQMD used the CAPCOA/ARB/EPA Region IX Recommended Periodic Monitoring for Generally Applicable Grain Loading Standards in the SIP for combustion sources (July 2001). These documents are included in Appendix II.

6. Title V Permit Format

The Title V permit consists of eleven sections and two appendices. Each section is devoted to a particular function as summarized below:

Section A Facility Information

This section contains operator name, facility location and mailing address. It also lists the name of the responsible official and contact person for the facility. Lastly, this section indicates whether Regulation XXX and RECLAIM apply to the facility.

Section B RECLAIM Annual Emission Allocation

This section applies to RECLAIM facilities only and lists NO_x and SO_x allocations for the facility. This facility is subject to both the NO_x and SO_x requirements of RECLAIM.

Section C Facility Plot Plan

This section is reserved for the development of the facility plot plan in the future.

Section D Facility Description and Equipment Specific Conditions

This section describes equipment at the refinery that has been issued permits to operate. It also includes facility-wide operating conditions, emission limitations, the rules for which the emission limits and permit conditions are derived, and the periodic monitoring requirements as appropriate. The description of the process and equipment is structured in the following manner:

Process

A process is the largest grouping of equipment under the Title V permit, which includes all equipment involved in the making of final product from raw feed. A process can end at an intermediate product if the succeeding process is significantly different.

System

A system is the combination of equipment into a unit which is a logical subsystem of a process. A system can be used to identify individual process lines, or it can separate a long process line into separate functions. The main use of this grouping will be to separate a large process into manageable groups.

Equipment

This column describes equipment contained within a system or a process. It contains information necessary to identify equipment and ensure compliance with rules and regulations such as dimensions of a tank, heat input of a heater, horsepower of an engine, etc.. This section also lists the equipment application number (A/N). The A/N is an identification number issued by the AQMD to the application submitted by the applicant for a Permit to Construct or Permit to Operate for a piece of equipment. A facility is required to submit a permit application when it plans to install a new piece of equipment, alter an existing piece of equipment, or modify a permit condition. An A/N in the Title V permit changes each time the AQMD approves a new application.

Device Identification (I.D.) Number

Each piece of equipment is assigned a unique I.D. number. When a piece of equipment is modified it retains its existing I.D. number. However, when it is removed from service, the I.D. number is retired and will not be used to identify another piece of equipment at this facility.

Connected to

This column is used to identify air pollution control equipment that is connected to a specific piece of equipment at the refinery. This column is not intended to show process connections in the refinery.

RECLAIM Source Type/Monitoring Unit

This column is used to identify equipment classification pursuant to the RECLAIM program. The classification of major source, large source and process units are defined in Rule 2012. The equipment classification is assigned to NOx and SOx emission sources subject to RECLAIM. Each classification of equipment is subject to a specific monitoring requirement under RECLAIM.

Emissions and Requirements

This column lists emission limits applicable to each piece of equipment. It also lists the rules for which the limits were derived. If AQMD adopted a rule that has not yet been approved into the State Implementation Plan (SIP), emission limits established by both the SIP-approved and non SIP-approved versions of the rule are included in the permit.

Conditions

This column lists specific permit conditions applicable to the facility, process, system or equipment. A facility level condition applies to the whole facility and is designated by the letter F. The process conditions apply to the entire process and are designated by the letter P. The system conditions apply to the entire system and are designated by the letter S. The equipment (device) level conditions are designated by other letters depending on the category of conditions such as monitoring, recordkeeping, etc. Each permit condition references the law or rule for which the requirements in the condition were derived. If AQMD adopted a rule that has not yet been approved into the SIP, emission limits established by both the SIP-approved and non SIP-approved versions of the rule are included in the permit. One category of the device level condition is the periodic monitoring condition.

Section E Administrative Conditions

This section contains general administrative permit conditions that apply to all facilities. The conditions listed in this section apply to all permitted equipment at the facility unless superseded by other conditions listed elsewhere in the facility permit.

Section F RECLAIM Monitoring & Source Testing Requirements

This section contains monitoring and source testing permit conditions imposed by Regulation XX. It summarizes the monitoring and testing requirements for Major, Large and Process units at RECLAIM facilities.

Section G RECLAIM Recordkeeping & Reporting Requirements

This section contains recordkeeping and reporting requirements specified in Regulation XX. It summarizes the recordkeeping and reporting requirements for RECLAIM sources.

Section H Permit to Construct and Temporary Permit to Operate

The permit format in this section is the same as described for Section D above. However, equipment listed in this section has not been issued permits to operate, but were issued a permit to construct and/or a temporary permit to operate.

Section I Compliance Plans & Schedules

This section lists active compliance plans specified in the SIP-approved rules.

Section J Air Toxics

This section lists permit conditions pertaining to Federal NESHAP/MACT requirements.

Section K Title V Administration

This section lists the Title V administrative conditions. They are the same for all Title V facilities, except for the list of applicable rules table at the end of the section. The table at the end of the section lists all applicable rules referenced in Sections D and H (emission limit and conditions) and any rules that are referenced to the facility. This table also indicates which rules are federally enforceable and which are only enforceable by AQMD.

**Appendix A NOx and SOx Emitting Equipment Exempt
from Written Permit Pursuant to Rule 219**

This section lists classes of NOx- and SOx- emitting Rule 219 exempt equipment present at the facilities that are subject to RECLAIM.

Appendix B Rule Emission Limits

Some emission limits that are too complex to be listed in the Emissions and Requirements column of Sections D and H are listed in Appendix B of the Title V permit. Emission limits in this appendix are referenced by an emission type “(9)” in the “Emissions and Requirements” column of the permit.

7. Permit Features

Permit Shield

A permit shield is an optional part of a Title V permit that gives the facility an explicit protection from requirements that do not apply to the facility. A permit shield is a provision in a permit that states that compliance with the conditions of the permit shall be deemed compliance with all identified regulatory requirements. Incorporation of a permit shield into the Title V permit involves submission of applications for change of conditions for each equipment affected by the permit shield. Permit shields are addressed in AQMD Rule 3004 (c). This facility has not applied for a permit shield for any of the equipment at the refinery.

Alternate Operating Scenarios

An alternative operating scenario (AOS) is a set of provisions and conditions in a permit that allow the operator to switch back and forth between alternative modes of operation without submitting an application for a permit revision before each switch. However, each AOS must be evaluated for compliance with AQMD rules and regulations and applicable State and Federal requirements. AOS is addressed in AQMD Rule 3005 (j). This facility has not applied for an AOS for any of the equipment at the refinery.

Emissions Trading

This facility is subject to the NO_x and SO_x emissions trading requirements under Regulation XX.

Prevention of Significant Deteriorations (PSD) Permits

PSD is a federal program for permitting new and modified sources that emit air pollutants for which the AQMD is classified as in attainment with the National Ambient Air Quality Standards (NAAQS). This facility has not been issued a PSD permit by either the EPA or the AQMD.

EPA New Source Review (NSR) Permits

NSR is a federal program for permitting new and modified sources that emit air pollutants for which the AQMD is classified as in Non-attainment with NAAQS. Before SIP-approval of the AQMD NSR Rule in 1978, EPA issued NSR permits for new construction and/or equipment modifications in the AQMD. A check of the records indicates that there are no NSR permits issued by the EPA for the Paramount refinery.

8. Summary of Emissions and Health Risks

Summary of Refinery Criteria Air Pollutant, Toxic Air Contaminant and Hazardous Air Pollutant Emissions

This section contains a summary of the Criteria Air Pollutant (CAP), Toxic Air Contaminant (TAC) and Hazardous Air Pollutant (HAP) emissions for the refinery as reported in the refinery's Annual Emission Report (AER) for fiscal year 2006-2007. A summary of PTE for HAPs is also included in this section to support the determination that this facility is not a major source of HAPs as discussed in Section 4 of the Statement of Basis.

**Table 8.1 Criteria Pollutant Emissions (tons/year)
from Annual Reported Emissions for Reporting Fiscal Year 2006 – 2007**

Pollutant	Emissions (tons/year)
NO _x	108
CO	129
VOC	138
PM	126
SO _x	22

**Table 8.2 Emissions of Toxic Air Contaminants (TAC)
& Hazardous Air Pollutants (HAPs)**

The Following TACs Were Reported	Actual Emissions ¹ Reporting Year 06-07 (lbs/yr)	PTE for HAPs (lbs/yr)
1,1,2,2-Tetrachloroethane*	<0.001	0.084
1,1,2-Trichloroethane*	<0.001	0.066
1,2,4-Trimethylbenzene	8.31	-
1,2-Dichloropropane* (Propylene dichloride)	<0.001	0.056
1,3-Butadiene*	0.01	4.2
1,3-Dichloropropene*	<0.001	0.055

Acetaldehyde*	19.1	80.5
Acrolein*	10.4	18.6
Ammonia	22,771	-
Arsenic*	0.0114	1.13
Benzene*	225	773
Cadmium*	0.9	2.14
Carbon tetrachloride*	<0.001	0.077
Chlorine*	-	0.290
Chloroform*	<0.001	0.06
Chromium (VI)*	<0.001	0.87
Copper	0.03	-
Cumene*	-	0.97
Diesel engine exhaust, particulate matter	239	-
Ethylbenzene*	112	159
Ethylene dibromide*	<0.001	0.093
Ethylene dichloride*	<0.001	0.049
Formaldehyde*	56.4	1,170
Hexane*	1,080	3,440
Hexachlorocyclohexanes*	-	0
Hydrochloric acid*	1.33	2.33
Hydrogen sulfide*	-	4.61
Lead (inorganic)*	0.0591	0.104
Manganese*	0.022	11.3
Mercury*	0.014	1.34
Methanol*	0.031	5.73
Methyl ethyl ketone* (MEK)	-	0.004
Methyl tert-butyl ether* (MTBE)	-	1.31
Methyl chloride*	<0.001	0.042
Naphthalene*	3.4	27.6
Nickel*	0.0278	1.86
Phenol*	-	4.61
PAHs, total, with components not reported*	3.07	12.5
Propylene oxide*	-	0.00003
Selenium*	0.0157	0.0275
Styrene*	<0.001	0.1412
Toluene*	280	1,380
Trichloroethylene*	-	0
Tetrachloroethylene (Perchloroethylene)	1.1	112
Vinyl Chloride*	<0.001	0.031
Xylenes*	125	348.0
Total TACs (lbs/yr)	24,935	
Total HAPs (lbs/yr)	1,917	7,565
Total HAPs PTE		3.8 TPY
Maximum Individual HAP PTE (Hexane)		1.72 TPY

*TACs that are also identified as HAPs.

¹Please note that the reported actual emissions for year 2006-2007 in Table 8.2 are based on the numbers recently revised by Paramount due to “emissions entry errors and the use of incorrect emission factors” and submitted to the District on December 1, 2008. The revised 2006-2007 TAC Annual Reported Emissions have not yet been validated by the District’s AER group for accuracy.

Health Risk from Toxic Air Contaminants

The Paramount refinery is subject to review by the Air Toxics Information and Assessment Act (AB2588). The Final Facility Health Risk was approved in 2002 with the following risk factors.

Cancer Risk	9.61 in one million
Acute Hazard Index	0.02
Chronic Hazard Index	0.01

9. Compliance History

The Paramount refinery has two (2) outstanding notices of violation (NOV) that are subjected to the orders of the District Hearing Board, entered as Stipulated Order of Abatement (SOA), Case No. 2914-91 and Variance, Case No. 2914-93:

Table 9.1 Outstanding Notices of Violations

NOV #	Case No.	Case Type	Rule(s) Violated	Violation
P39617	2914-91	SOA	203(b), 2004(f)(1)	Failure to operate in compliance with permit Condition S4.1 which requires all new valves in VOC service be of leakless (bellow-seal) type.
P45644	2914-93	Variance	2012(c)(2)(A)	Failure to install, maintain and operate a CEMS at the bypass stacks of Reformer heaters H-303, H-304, H-305 and H-306.

Hearing Board Case No. 2914-91: In May 2008, the AQMD issued a Notice of Violation to Paramount alleging violation of AQMD Rule 203(b) and 2004(f)(1) for failure to install leakless (bellow seal) valves, where required, during the CARB Phase 3 Clean Fuels Project undertaken in 2004. The District’s approval of this project was contingent on permit condition that required all new valves in VOC service shall be of leakless (bellow seal) type, except those specifically exempted by District Rule 1173 or approved in writing by the District. Paramount and the AQMD have determined that 107 valves installed as part of the Clean Fuels Project should be leakless valves, but are instead conventional valves.

Under this SOA, Paramount shall replace all the conventional valves that should be leakless, bellow sealed or equivalent valves or refrain from operating the process units where valve replacements will be conducted no later than December 31, 2008 and submit a recalculation of

fugitive emissions, as required by permit condition, to the District by March 31, 2009. Paramount began replacing the valves in early November 2008 and completed the final valve replacement on February 3, 2009 as part of the refinery turnaround activities that began in early November 2008 and scheduled to be completed in early February 2009. The process units where affected valves were replaced did not operate during this turnaround period.

As required by Rule 3004(a)(10)(C), condition I1.4 has been added to the affected equipment in Section H of the permit requiring the operator to comply with all the conditions of the SOA. A copy of the documents related to this SOA is available on the internet under the AQMD's "Facility INformation Detail" database (FIND, at http://www.aqmd.gov/webappl/fim/prog/hbdisplay.aspx?fac_id=800183).

Hearing Board Case No. 2914-93: In August 2008, the AQMD issued a Notice of Violation to Paramount alleging violation of AQMD Rule 2012(c)(2)(A) for failure to install, maintain and operate a CEMS device at the Catalytic Reformer heaters' bypass stacks. During normal operations, the heater combustion gases are routed through a SCR unit and exhausted through a 'main' stack that contains a CEMS as required by RECLAIM. Paramount indicated there are four operating scenarios in which the bypass stacks, which are not equipped with CEMS, are used to maintain safe operations of the heater/unit. These four scenarios are (1) during startup, (2) during shutdown maintenance and inspection activities, (3) during SCR trips or shutdowns of the induced draft fan and (4) during heater tube ruptures or failures. With the exception of using the bypass stacks exclusively to avoid catastrophic failures (which must meet all criteria in Rule 430 and Rule 2005(i) – Breakdown Provisions), AQMD alleges that Paramount must maintain and operate a CEMS at the bypass stacks.

On October 23, 2008, Paramount was granted a variance by the AQMD Hearing Board to conduct turnaround activities scheduled for late 2008/early 2009. The variance provided coverage until January 29, 2009. On December 16, 2008, Paramount petitioned the Hearing Board to extend the variance to March 1, 2009 in order to have sufficient time to complete all necessary shutdown maintenance and inspection activities while seeking ways to bring the heater bypass stacks in compliance. On January 29, 2009, the Hearing Board granted a modification and extension to the variance order which provides coverage through February 28, 2009.

As required by Rule 3004(a)(10)(C), condition I1.5 has been added to the affected heaters in Section D of the permit requiring the operator to comply with all the conditions of the variance. A copy of the documents related to this variance is available on the internet under the AQMD's "Facility INformation Detail" database (FIND, at http://www.aqmd.gov/webappl/fim/prog/hbdisplay.aspx?fac_id=800183)

Other Variances and SOAs

The Paramount refinery is also subject to the terms of Hearing Board Orders entered for the following cases for which there were no NOV(s) issued or no NOV(s) outstanding:

Case No. 2914-87:	Variance for District Rule 1118.
Case No. 2914-95:	Variance for District Rule 1118.
Case No. 2914-72:	Stipulated Order of Abatement.

Case No. 2914-90: Stipulated Order of Abatement.

Variance(s)

Hearing Board Case No. 2914-87: AQMD Rule 1118 was amended in November of 2005. The Paramount Refinery operates one (1) General Service Flare (C396) that is subject to Rule 1118. Subsection (g)(3) of the amended rule specifies that owners or operators with flares subject to the rule shall install and operate a flare monitoring system (FMS) by July 1, 2007 to perform monitoring and recording of the parameters specified in the second section of Table 1 of the rule. This monitoring includes gas flow, gas higher heating value (HHV), and total sulfur concentration (TSC) of the gas. Subsections (g)(3) and (j)(1)(C) contain performance specifications for the monitors. Rule 1118(j)(1)(C) also requires that the accuracy of the flow meter be verified annually according to manufacturer specifications. Additionally, Rule 1118 contains reporting requirements that are based on these monitoring requirements.

At the time of the rule adoption, technical challenges and issues related to feasibility, reliability, maintainability, accuracy, and safety that had the potential to delay implementation of the specified monitoring systems. Due to these known issues, the AQMD Governing Board adopted a resolution directing AQMD staff to work with the Western States Petroleum Association and its refiner members to resolve outstanding issues. Pilot projects for the development of TSC and HHV analyzers were completed in March 2008. Based on a determination that the pilot analyzers demonstrated compliance with the technical requirements of Rule 1118, the AQMD approved the TSC and HHV analyzers on May 20, 2008. Under the variances issued by the Hearing Board, the refineries have until September 1, 2008, to complete the design, acquisition, and installation of the required analyzers.

On March 27, 2008, the refiners submitted to the Hearing Board a written request for continuance of the April 22-24, 2008 hearing scheduled in their variance orders for consideration of petitions for modification/extension. The Hearing Board granted this request, and also continued the previously established April 8, 2008 date for filing of such petitions. The Hearing Board established a new filing date of June 27, 2008, and scheduled the hearing on the petitions for July 15, 16, and 17, 2008. On July 15, 2008, the Hearing Board granted a modification and extension to the variance order and postponed the compliance date to October 2, 2009 for Paramount to complete the acquisition, installation, and testing of the required analyzers.

As required by Rule 3004(a)(10)(C), condition I1.1 has been added to the affected equipment in section D and H of the permit requiring the operator to comply with all the conditions of the variance. A copy of the documents related to this regular variance is available on the internet under the AQMD's "Facility INformation Detail" database (FIND, at http://www.aqmd.gov/webappl/fim/prog/hbdisplay.aspx?fac_id=800183).

Hearing Board Case No. 2914-95: The Paramount refinery operates one (1) General Service flare (C396) that is subjected to the requirements of AQMD Rule 1118 (last amended on November 4, 2005). Subsections (c)(4) and (c)(5) of the rule specify that, effective January 1, 2009, the flares must be operated in such a manner that minimizes all flaring and that no vent gas is combusted except during emergencies, startups, turnarounds, or essential operational needs and prevent the combustion in any flare of vent gas with a hydrogen sulfide concentration in

excess of 160 ppm, averaged over three hours, excluding any vent gas resulting from an emergency, shutdown, startup, process upset or relief valve leakage.

Paramount has installed a new flare gas recovery system to meet the above requirements during the refinery-wide turnaround that began in early November, 2008 and scheduled to be completed on or about February 1, 2009. Since the installation of the new flare gas recovery system was done concurrently with the refinery-wide turnaround, Paramount has not had the opportunity to bring the new flare gas recovery system online to trouble-shoot the new equipment prior to January 1, 2009. In order to facilitate the sequential startup of the flare system, refinery, and new flare gas vapor recovery system in this orderly fashion, the District Hearing Board granted a variance to allow Paramount to postpone startup of the new flare gas recovery system until after the startup of the flare and the rest of the refinery following the refinery turnaround. This variance allows the new flare gas recovery system to be integrated, systematically, into the refinery flare system and overall refinery operations in a safe and efficient manner such that upsets and associated uncontrolled emissions can be minimized. Variance coverage was granted on January 13, 2009 and extends through March 31, 2009. Paramount anticipates the refinery and new flare gas recovery system to be fully operational by this variance end date.

As required by Rule 3004(a)(10)(C), condition I1.6 has been added to C396 in Section H of the permit requiring the operator to comply with all the conditions of the variance. A copy of the documents related to this variance is available on the internet under the AQMD's "Facility Information Detail" database (FIND, at http://www.aqmd.gov/webappl/fim/prog/hbdisplay.aspx?fac_id=800183)

Order(s) for Abatement

Hearing Board Case No. 2914-72: In August 2004, the AQMD issued four Notices of Violation to Paramount alleging violations of AQMD Rule 203(a) for four heaters and two incinerators. The heaters and incinerators were periodically exceeding the firing rates (in MMBtu/hr) specified in the equipment descriptions of Paramount's facility permit. The AQMD alleged that these equipment descriptions constitute permit conditions that are enforceable through AQMD Rules 202, 203, and 2004(f). Paramount disputed AQMD's interpretation that the firing rates in the equipment descriptions are enforceable permit conditions that limit the firing rate of the heaters and incinerators.

Under this SOA, Paramount was required to install ultra low-NO_x (ULNB) burners, which meet a NO_x concentration limit of 15 ppmv, on the following heaters: H-601, H-602, H-802, and H-805. Paramount has completed installation of these burners. Paramount is also required to install Selective Catalytic Reduction (SCR) emission control technology to reduce the NO_x emissions for heaters H-601 and H-802 (or substitute heater) to 5 ppmv or less. An enforceable schedule for the permitting and installation of each SCR is included in the SOA. Paramount has completed the installation of the SCR for H-601. In place of H-802, Paramount has elected to install SCR control technology for H-101, H-102, and H501/H502. The permit to construct the SCR for H-101, H-102, and H501/H502 was granted to Paramount on July 25, 2008. Pursuant to the SOA, Paramount is scheduled to have this SCR in full operation by March 31, 2009.

Maximum firing rate limits for the heaters and incinerators are also specified in the SOA. The firing rate limits specified in the SOA for the heaters were applicable until the ULNBs were installed under new permits to construct, which were issued with new firing rate limits. Paramount was required to submit permit applications to change the permitted firing rate limits for the two incinerators. The incinerators are to be operated according to the firing rate limits in the SOA until the AQMD issues a permit with revised limits. Paramount has submitted permit applications for each the subject incinerators (H-402 and H-907).

As required by Rule 3004(a)(10)(C), condition I1.2 has been added to the affected equipment in section D and H of the permit requiring the operator to comply with all the conditions of the SOA. A copy of the documents related to this SOA is available on the internet under the AQMD's "Facility INformation Detail" database (FIND, at http://www.aqmd.gov/webappl/fim/prog/hbdisplay.aspx?fac_id=800183).

Hearing Board Case No. 2914-90: The Paramount Refinery operates a tail gas incinerator (H-402) in the Sulfur Recovery Unit (SRU) that is used to control emissions of H₂S from the Tail Gas Unit exhaust stream as well as VOC and H₂S from various refinery process units. The SRU was constructed prior to the applicability date of 40CFR Part 60, Subpart J and is not subjected to the sulfur emissions requirements set forth in 40CFR 60.104 (a)(2). However, H-402 has undergone modifications between the mid-1970s to present to connect various miscellaneous refinery gas streams to H-402 for use as combustion fuel. This has triggered the applicability of 40CFR Part 60, Subpart J for this incinerator. The AQMD has determined that Paramount violates District Regulation IX, which incorporates by reference the NSPS set forth in 40CFR Part 60, Subpart J, whenever the concentration of H₂S in the miscellaneous refinery gas streams combusted by H-402 exceed the concentration allowed by 40CFR 60.104 (a)(1). Paramount disputed AQMD's interpretation and contends that the miscellaneous refinery gas streams are exempt from 40CFR 60 Subpart J because they are specifically excluded from the definition of a modification that would trigger 40CFR 60.104 (a)(1) by the alternative fuels exemption, 40CFR 60.14(e)(4) and the air pollution reduction exemption, 40CFR 60.14 (e)(5). In May 2008, the AQMD filed a petition for a SOA alleging that Paramount has been operating in violation of District Regulation IX.

Under this SOA, Paramount is required to re-route certain miscellaneous refinery gas streams currently venting to H-402 to the front of the SRU to comply with the requirements of 40CFR 60.104(a)(1) by March 31, 2009, provided the AQMD issues the required permits on or before November 1, 2008. Paramount has submitted applications for the necessary permits to construct on August 15, 2008.

As required by Rule 3004(a)(10)(C), condition I1.3 has been added to H-402 in Section D and H of the permit requiring the operator to comply with all the conditions of the SOA. A copy of the documents related to this SOA is available on the internet under the AQMD's "Facility INformation Detail" database (FIND, at http://www.aqmd.gov/webappl/fim/prog/hbdisplay.aspx?fac_id=800183).

The Findings and Decisions of the AQMD Hearing Board pursuant to the aforementioned variances and SOAs contain specific target dates for achieving activities, milestones, or

compliance. 11.x conditions establish a schedule for submission of semi-annual progress reports to document progress toward achieving compliance. The requirement for a compliance schedule pursuant to 40 CFR 70.6 (c)(3) and District Rule 3004 (a)(10)(C) is fulfilled by 11.x permit condition.

The issuance of a regular Variance and/or SOA by the AQMD Hearing Board does not affect federal or citizen enforceability of the subject requirements.

Notices to Comply and Notices of Violation

As noted, the refinery has been in continuous operation since the 1930's. Since the inception of Los Angeles County Air Pollution Control District in 1947, the refinery has been subject to both self-reporting requirements and AQMD inspections. Twelve (12) Notices-to-Comply and ten (10) Notices-of-Violation have been issued to the Paramount refinery since August 1, 2005. As of January 23, 2009, the refinery is in compliance with these notices and, as discussed above, is on schedule to comply with the SOA's. Further information regarding the facility's compliance status is available on the internet under the AQMD's "Facility Information Detail" database (FIND, at http://www.aqmd.gov/webappl/fim/prog/novnc.aspx?fac_id=800183).

Likewise, the compliance documentation for Variances and Abatement Orders is also available on the internet under the AQMD's "Facility Information Detail" database (FIND, at http://www.aqmd.gov/webappl/fim/prog/novnc.aspx?fac_id=800183).

10. Compliance Certification

By virtue of the Title V permit application and issuance of this permit, the reporting frequency for compliance certification for the refinery shall be annual.

11. Appendices

In order to minimize printing, all of the following appendices are available on the AQMD website as shown below. In addition, they will be made available on CDs upon request. Please contact the AQMD contact person identified on the public notice for this facility or call Thomas Lee at (909) 396-3138 for assistance in finding the information on the website or to obtain a copy of the CD.

- I. Technical Guidance Document For the Title V Permit Program (March 2005, Version 4.0) (<http://www.aqmd.gov/titlev/TGD.html>)
- II. Periodic Monitoring Guidance Documents
 - A. AQMD Periodic Monitoring Guidelines for Title V Facilities (November 1997) (<http://www.aqmd.gov/titlev/pdf/PeriodicMonitoringGuidelines-97.pdf>)
 - B. CAPCOA/CARB/EPA Region IX Periodic Monitoring Recommendations for Generally Applicable Requirements in SIP (June 1999) (<http://www.arb.ca.gov/fcaa/tv/tvinfo/pmrec624.pdf>)
 - C. CAPCOA/CARB/EPA Region IX Recommended Periodic Monitoring for Generally Applicable Grain Loading Standards in the SIP: Combustion Sources (July 2001) (<http://www.arb.ca.gov/fcaa/tv/tvinfo/pmrecoms.pdf>)

- III. Summary Report of Notice of Violations. Further information regarding the facility's compliance status is available on the internet under the AQMD's "Facility Information Detail" database (FIND, at http://www.aqmd.gov/webappl/fim/prog/novnc.aspx?fac_id=800183).
- IV. Variances and Abatement Orders. Further information regarding the facility's compliance status is available on the internet under the AQMD's "Facility Information Detail" database (FIND, at http://www.aqmd.gov/webappl/fim/prog/hbdisplay.aspx?fac_id=800183).